

EXHIBIT B

Gateway's December 31, 2024 Breach Notice



CONFIDENTIAL

December 31, 2024

Big Lots, Inc.
4900 E. Dublin-Granville Road,
Columbus, Ohio 43081
Attn: Rocky Robins
Jonathan Ramsden

Dear Messrs. Robins and Ramsden:

Big Lots, Inc. (“Seller”) and its subsidiaries have breached the Asset Purchase Agreement (as amended, the “Purchase Agreement”), dated September 8, 2024, by and among Seller, Gateway BL Acquisition, LLC’s (“Buyer”), and the other subsidiaries of Seller listed on the signature pages to such agreement by failing to comply with their obligation to both (a) return Buyer’s escrowed deposit to Buyer and (b) pay the Expense Reimbursement to Buyer. Seller is also violating the Bankruptcy Court’s November 22, 2024 order (Docket No. 1232) approving the terms of the Purchase Agreement and binding Seller to them (“Sale Order”).

Buyer delivered the termination notice to you on December 21, 2024 terminating the Purchase Agreement (other than the surviving provisions under Section 12.02 of the Purchase Agreement, which include Seller’s obligations noted in this notice). Seller has not contested the termination and has no basis to do so. Section 3.02(c) of the Purchase Agreement provides that “the Deposit Amount will be returned to Buyer within two Business Days after such termination by wire transfer of immediately available funds to the accounts designated in writing by Buyer,” and Section 13.07(b)(ii)(B) of the Purchase Agreement provides that “the Selling Entities will pay to Buyer the Expense Reimbursement within five Business Days of such termination.” Accordingly, Seller was required to release the Deposit Amount to Buyer no later than Tuesday, December 24, 2024 and to pay the Expense Reimbursement to Buyer no later than Monday, December 30, 2024. Seller has done neither and has offered no basis why the full amounts are not due to Buyer immediately; Seller has no such basis. Buyer’s termination notice included joint written instructions (the “Joint Instructions”) authorizing release from escrow of the Deposit Amount and \$1.5 million of the \$2.0 million Expense Reimbursement to Buyer in accordance with the Purchase Agreement. Such notice also included wire instructions for payment of the incremental \$500,000 of the Expense Reimbursement to Buyer. Buyer has repeatedly requested that Seller countersign these Joint Instructions and pay the incremental \$500,000 as soon as possible in order to comply with its obligations. Seller refused to sign these instructions or pay such amount in violation of the Sale Order and breach of the Purchase Agreement.

Seller’s violation of the Court’s Sale Order and failure to honor its contractual obligations under the Purchase Agreement has left Buyer with little choice but to immediately seek relief in the Bankruptcy Court, including recovery of Buyer’s legal costs.

Buyer reserves its rights.

Sincerely,
Gateway BL Acquisition, LLC

By: 
Name: Evan Glucoft
Title: Vice President

cc: Oliver Smith; Brian Wolfe; Brian Resnick; Adam Shpeen